

# irtec generated a 220% ROI (each £1 invested returned £2.20 net)

The Institute of the Motor Industry (IMI) secured funding from the UK Commission for Employment and Skills (UKCES) to conduct a study on the return on investment (ROI) of adopting irtec Inspection Technician Accreditation at DSV Commercials Ltd, Immingham, a medium sized heavy vehicle service centre under the MAN dealer group brand.

Established by the Institute of Road Transport Engineers (IRTE), a Professional Sector of the Society of Operations Engineers (SOE), irtec is an independent accreditation scheme that assesses the competence of technicians working in the commercial vehicle, trailer and passenger carrying industries. Through irtec, technicians can add to their qualifications and demonstrate that their skills and knowledge are up-to-date. An irtec licence proves a commitment to safety, competence and demonstrable professional development by both the technician and employer.



### Background

A haulage company's MOT first pass rate relies on an effective process for vehicle inspection before annual test. Poor inspection can result in a VOSA prohibition notice requiring rectification and a vehicle being kept off road. Therefore, a good roadworthiness Operator Compliance Risk Score (OCRS) is evidence of effective inspection and maintenance and a good MOT first time pass rate.

In 2010 DSV Commercials recognised its business needed to meet increasing customer expectations through an improved focus on customer roadworthiness OCRS. From January 2010 to July 2011 DSV Commercials' MOT first time pass rate already averaged 92%. However, the pass rate in any successive month varied unpredictably between 82% to 97% reaching 100% only once.

DSV Commercials attempted to take control of its MOT pass rate through a more efficient and standardised inspection routine for vehicles and trailers. Firstly, the decision was made to recruit a quality and compliance manager and also trial two technicians on the irtec inspection accreditation.

The technicians' feedback regarding the learning process involved in achieving their irtec inspection licence, coupled with their positive changes in performance and perceptions, convinced DSV Commercials to ensure all 16 of its technicians achieved irtec inspection accreditation.

As a result "technicians have gained confidence in their competence and now have a more efficient and improved inspection routine." In addition "by decreasing the repeat visits to the workshop, DSV Commercials has seen an increase in 'up time' of its customers' vehicles and more available technician hours to sell."

Chris Marshall, Director, DSV Commercials Ltd

### A paradigm shift

In the year prior to implementing the irtec inspection accreditation DSV Commercials achieved 100% first time pass rate in only 1 out of the 12 months. In the year following the implementation of irtec DSV Commercials achieved a 100% first time pass rate in 8 out of the 12 months.

The 8 fold rise in the MOT first time pass rate was also accompanied by a 4.5% increase in technician utilisation, and hence additional marginal productivity, wholly attributable to irtec. This alone generated a return on investment of 220% (each £1 invested returned £2.20 net).

Having now taken control of its MOT first time pass rate, DSV Commercials were pleased to report an increased customer base.

### Conclusion

The IMI's irtec inspection accreditation ROI study within DSV Commercials demonstrates that

- irtec inspection is a repeatable, systematic process against a robust accredited standard.
- irtec inspection is a mechanism to take control of MOT first time pass rates.
- Focus on current competence in inspection can improve MOT first time pass rates.
- irtec inspection has been shown to be an effective marketing tool for attracting and retaining business.

To find out more information go to:

[www.theimi.org.uk/roi](http://www.theimi.org.uk/roi)